Tsantsabane Municipality
(Registration number NC 085)
Annual Financial statements
for the year ended 30 June 2014
Auditor General of South Africa

Tsantsabane Municipality

(Registration number NC 085)
Annual Financial Statements for the year ended 30 June 2014

General Information

Legal form of entity	South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act. (Act no 117 of 1998)
Nature of business and principal activities	Tsantsabane Municipality is a local municipality performing the functions as set out in the Constitution. (Act no 105 of 1996)
Mayoral committee	
Mayor	E.E.J Phete
Councillors	M. Oliphant M.J. Tonyane O. Kgoronyane T.P. Phohle J.J. Swart M.C. Mashila J. Rooiland G.P. Bessies S.R. De Bruin O.M. Mabilo
Grading of local authority	Category B
Chief Finance Officer (CFO)	A.Kooverjee
Accounting Officer	H.G. Mathobela
Registered office	13 Springbok Street Postmasburg 8420
Business address	13 Springbok Street Postmasburg 8420
Postal address	P.O.Box 5 Postmasburg 8420
Bankers	ABSA BANK
Auditors	Auditor General of South Africa
Preparer	The annual financial statements were independently compiled by: Makomota Investment Holdings

Tsantsabane Municipality
(Registration number NC 085)
Annual Financial Statements for the year ended 30 June 2014

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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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Abbreviations

COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
GAMAP	Generally Accepted Municipal Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IMFO	Institute of Municipal Finance Officers
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and places considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2015 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on pages 4 to 41, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2014 and were signed by him:

H.G. Mathobela
Accounting Officer

Statement of Financial Position as at 30 June 2014

Figures in Rand	Note(s)	2014	2013 Restated*
Assets			
Current Assets			
Inventories	5	5 585 671	575 453
Operating lease asset		74 648	49 765
Receivables from exchange transactions	6	20 979 323	458 123
Receivables from non-exchange transactions	7	2 886 000	2 886 000
Consumer debtors	8	15 134 881	10 351 394
Cash and cash equivalents	9	13 912 367	23 663 625
		58 572 890	**37 984 360**
Non-Current Assets			
Investment property	2	6 086 514	6 220 595
Property, plant and equipment	3	841 513 048	826 902 680
Intangible assets	4	350 736	753 288
		847 950 298	**833 876 563**
Total Assets		**906 523 188**	**871 860 923**
Liabilities			
Current Liabilities			
Finance lease obligation	10	106 620	52 831
Payables from exchange transactions	15	49 130 027	39 691 100
VAT payable	16	33 157 968	35 216 638
Consumer deposits	17	1 730 241	1 383 452
Unspent conditional grants and receipts	11	19 015 957	23 786 838
Short term portion of long term loan	14	605 296	607 683
Bank overdraft	9	18 593 296	12 009 588
		122 339 405	**112 748 130**
Non-Current Liabilities			
Finance lease obligation	10	210 125	158 383
Employee benefit obligation		9 207 000	11 534 351
Provisions	12	12 599 246	11 982 457
Long term loan	14	687 974	1 735 630
		22 704 345	**25 410 821**
Total Liabilities		**145 043 750**	**138 158 951**
Net Assets		**761 479 438**	**733 701 972**
Accumulated surplus		761 479 438	733 701 972

* See Note 35

Statement of Financial Performance

Figures in Rand	Note(s)	2014	2013 Restated*
Revenue			
Sale of land		29 000 000	-
Service charges	20	73 146 329	70 717 410
Income from agency services		636 799	677 964
Licences and permits		262 888	821 369
Sundry income		872 659	500 804
Rental income		292 567	301 918
Insurance claims received		24 101	-
Donations received	42	15 532 016	23 778 505
Actuarial gain		3 398 583	-
Interest received - investment		880 398	1 638 882
Property rates	19	21 992 589	10 546 269
Government grants & subsidies	21	61 059 113	66 592 415
Fines		81 269	155 614
Total revenue		**207 179 311**	**175 731 150**
Expenditure			
Personnel	24	(46 653 586)	(43 299 020)
Remuneration of councillors	25	(3 831 207)	(2 602 563)
Depreciation and amortisation	28	(26 209 106)	(53 086 943)
Impairment loss/ Reversal of impairments		-	(99 443)
Finance costs	29	(5 397 781)	(5 743 510)
Debt impairment	26	(19 145 610)	(22 607 403)
Repairs and maintenance		(3 498 897)	(2 156 072)
Bulk purchases	31	(37 806 769)	(32 963 812)
Loss on disposal of assets		-	(31 851)
General Expenses	23	(36 858 905)	(51 007 427)
Total expenditure		**(179 401 861)**	**(213 598 044)**
Operating surplus (deficit)		**27 777 450**	**(37 866 894)**
Surplus (deficit) for the year		**27 777 450**	**(37 866 894)**

* See Note 35

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	640 062 744	640 062 744
Adjustments		
Correction of errors	131 506 122	131 506 122
Balance at 01 July 2012 as restated*	**771 568 866**	**771 568 866**
Changes in net assets		
Surplus for the year	(37 866 894)	(37 866 894)
Total changes	(37 866 894)	(37 866 894)
Opening balance as previously reported	610 632 407	610 632 407
Adjustments		
Correction of errors - Note 36	123 069 581	123 069 581
Restated* Balance at 01 July 2013 as restated*	**733 701 988**	**733 701 988**
Changes in net assets		
Surplus for the year	27 777 450	27 777 450
Total changes	27 777 450	27 777 450
Balance at 30 June 2014	**761 479 438**	**761 479 438**

Note(s)

* See Note 35

Cash Flow Statement

Figures in Rand	Note(s)	2014	2013 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		58 452 603	56 723 979
Grants		30 529 557	43 296 208
Interest income		880 398	1 638 882
		89 862 558	101 659 069
Payments			
Employee costs		(50 484 793)	(45 901 583)
Suppliers		(25 841 134)	(19 088 476)
Finance costs		(5 324 694)	(5 628 095)
		(81 650 621)	(70 618 154)
Net cash flows from operating activities	32	**8 211 937**	**31 040 915**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(23 531 691)	(27 555 668)
Proceeds from sale of property, plant and equipment	3	-	(31 851)
Net cash flows from investing activities		**(23 531 691)**	**(27 587 519)**
Cash flows from financing activities			
Movement in long term loan		(1 047 656)	(975 507)
Finance lease payments		32 444	(1 068 600)
Net cash flows from financing activities		**(1 015 212)**	**(2 044 107)**
Net increase/(decrease) in cash and cash equivalents		**(16 334 966)**	**1 409 289**
Cash and cash equivalents at the beginning of the year		11 654 037	10 244 748
Cash and cash equivalents at the end of the year	9	**(4 680 929)**	**11 654 037**

* See Note 35

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Sale of goods	-	11 213 000	**11 213 000**	29 000 000	**17 787 000**	
Service charges	55 240 662	2 400 000	**57 640 662**	73 146 329	**15 505 667**	44
Income from agency services	60 000	900 000	**960 000**	636 799	**(323 201)**	
Licences and permits	395 170	-	**395 170**	262 888	**(132 282)**	
Fees earned	1 237 860	264 000	**1 501 860**	872 659	**(629 201)**	44
Rental income	275 000	-	**275 000**	292 567	**17 567**	
	-	-	**-**	24 101	**24 101**	
	-	7 600 000	**7 600 000**	15 532 016	**7 932 016**	44
Other income - (rollup)	-	-	**-**	3 398 583	**3 398 583**	
Interest received - investment	264 168	100 000	**364 168**	880 398	**516 230**	
Total revenue from exchange transactions	**57 472 860**	**22 477 000**	**79 949 860**	**124 046 340**	**44 096 480**	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	14 695 000	5 100 000	**19 795 000**	21 992 589	**2 197 589**	44
Government grants & subsidies	29 307 000	-	**29 307 000**	61 059 113	**31 752 113**	44
Transfer revenue						
Fines	260 100	-	**260 100**	81 269	**(178 831)**	
Total revenue from non-exchange transactions	**44 262 100**	**5 100 000**	**49 362 100**	**83 132 971**	**33 770 871**	
Total revenue	**101 734 960**	**27 577 000**	**129 311 960**	**207 179 311**	**77 867 351**	
Expenditure						
Personnel	(54 099 856)	(4 201 000)	**(58 300 856)**	(46 653 586)	**11 647 270**	44
Remuneration of councillors	(2 956 961)	(135 000)	**(3 091 961)**	(3 831 207)	**(739 246)**	44
Depreciation and amortisation	(28 076 456)	(750 000)	**(28 826 456)**	(26 209 106)	**2 617 350**	44
Finance costs	(1 211 382)	-	**(1 211 382)**	(5 397 781)	**(4 186 399)**	44
Debt impairment	(12 055 991)	-	**(12 055 991)**	(19 145 610)	**(7 089 619)**	44
Repairs and maintenance	(7 192 092)	-	**(7 192 092)**	(3 498 897)	**3 693 195**	44
Bulk purchases	(29 766 700)	(1 400 000)	**(31 166 700)**	(37 806 769)	**(6 640 069)**	44
General Expenses	(24 954 147)	(6 852 000)	**(31 806 147)**	(36 858 905)	**(5 052 758)**	44
Total expenditure	**(160 313 585)**	**(13 338 000)**	**(173 651 585)**	**(179 401 861)**	**(5 750 276)**	
Operating surplus	**(58 578 625)**	**14 239 000**	**(44 339 625)**	**27 777 450**	**72 117 075**	
Gain on disposal of assets and liabilities	29 000 000	-	**29 000 000**	-	**(29 000 000)**	
Surplus before taxation	**(29 578 625)**	**14 239 000**	**(15 339 625)**	**27 777 450**	**43 117 075**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**(29 578 625)**	**14 239 000**	**(15 339 625)**	**27 777 450**	**43 117 075**	

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.No foreign exchange transactions are included in the statements.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.The cost of self-constructed investment property is measured at cost.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.Transfers are made to and from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. if owner occupied property becomes as investment property, the Municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Accounting Policies

1.3 Investment property (continued)

Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended be management. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any change in estimate accounted for on a prospective basis.Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is as follows:

Item	Useful life
Property - buildings	30 years

Investment property is unrecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Accounting Policies

1.4 Property, plant and equipment (continued)

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses except for land which is not depreciated as it has an indefinite life.

Subsequent Measurement - Cost Model

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended be management. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any change in estimate accounted for on a prospective basis.Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment recognised in the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

Any impairment is reversed only to the extent that the assets's carrying amount does not exceed the carrying that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the Statement of Financial Performance.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	**Average useful life**
Buildings	6 - 19
Plant and machinery	3 - 14
Furniture and fixtures	4 -15
Motor vehicles	4 - 9
Office equipment	3 -10
Infrastructure	
• Roads and Paving	5 - 50
• Electricity	5 - 50
• Water	3 - 100
• Sewerage	6 - 100
Community	
• Buildings	5 - 30
• Landfill sites	11
Other property, plant and equipment	3 - 10
• Emergency Equipment	5 - 10
Other equipment	3 - 5
Investment property	
• Buildings	30

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Accounting Policies

1.5 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired in exchange for a non - monetary asset or monetary assets, or a combination of monetary and non - monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset (s) given up.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation of an asset begins when it is available for use, i.e. when it is in the condition necessary for it to be capable of operating i the manner intended be management. Components of assets that are significant in relation to the whole asset and that have different useful lives are amortised separately. The estimated useful lives, residual values and amortisation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Licenses and franchises	3 - 7 years or licence period
Computer software, other	3 - 7 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising in disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance..

Accounting Policies

1.6 Financial instruments

Financial instruments recognised on the Statement of Financial Position includes receivables (both from non- exchange transactions and non-exchange transactions), cash and cash equivalents (includes non-current investments), annuity loans and payables (both form exchange and non-exchange transactions).

Initial recognition

Financial instruments are initially recognised when the Municipality becomes a party to the contractual provisions of the instrument at fair value plus, in the case of a financial asset or financial liability or residual interest not at fair value plus, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Financial assets are recognised at amortised cost.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

Receivables

Receivables are classified as financial assets at amortised cost, and are subsequently measured amortised cost using the effective interest rate method.

For amounts due from debtors carried at amortised cost, the Municipality first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial asset that are not individually significant. Objective evidence of impairment includes significant financial difficulties of the debtor, probability the the debtor will enter bankruptcy of financial reorganisation and default or delinquency in payments (more than 90 days overdue). if the Municipality determines that no objective evidence of impairment exists for an individually assessed financial asset whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Asset that are individually assessed for impairment and for which impairment loss is, or continue to be, recognised are no included in a collective assessment of impairment. The municipality assess for impairment at the end of each reporting period.

If there is objective evidence that an impairment has been incurred, the amount of the loss is measured at the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the Statement of Financial Performance. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised of transferred to the municipality. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased by adjusting the allowance account.

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Property,plant and equipment of intangible assets (excluding licensing agreements for such items as motion picture films, video recordings, plays, manuscripts, patents and copyrights) subject to finance lease agreements are intially recognised at lower of the asset's fair value and the present value of the minimum lease payments.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Accounting Policies

1.7 Leases (continued)

Finance leases - lessor

The municipality recognises finance lease receivables as assets on the statement of financial position. The receivable is calculated as the sum of all the minimum lease payments to be received, plus any unwarranted residual accruing to the Municipality, discounted at the interest rate implicit in the lease. The receivable is reduced by capital portion of the lease installments received, with the interest portion being recognised as interest revenue on a time proportionate basis.The accounting policies relating to de-recognition and impairment of financial instruments are applied to lease receivables.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the municipality's net investment in the finance lease.

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability. The accounting policies relating to de-recognition of financial instruments are applied to lease payables.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis unless another systematic basis is representative of the time pattern over which the benefit of the leased asset is diminished. The difference between the straight-lined revenue and actual payments received will give rise to an asset..

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. The Municipality shall recognise the aggregate benefit of incentives as a reduction of rental expense over the lease term, on a straight-line basis.

1.8 Inventories

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories shall be recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Municipality, and the cost of the inventories can be measured reliably. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus non-recoverable taxes, transport costs and any other cost in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, cost includes the cost of labour, material an overheads used during the manufacturing process.

Water is being measured at by multiplying the cost per kilo litre of purified water by the amount of water in the storage.

Where inventory is acquired by the Municipality for no or nominal consideration (I.e.a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

Subsequent Measurement

Accounting Policies

1.8 Inventories (continued)

Inventories, consisting of consumable stores, raw materials, work-in-progress and finished goods, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down.

Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised a a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

Water inventory is measured annually at the reporting date by the way dip readings and calculating volume in the distribution network.Cost of land held for sale is assigned by using specific identification of their individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.9 Non-current assets held for sale and disposal groups

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale (or disposal group) are measured at the lower of its carrying amount and fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held for sale, or while it is part of a disposal group classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale are recognised in surplus or deficit.

1.10 Impairment of cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

The Municipality assesses at each reporting date whether there is an indication that as asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the municipality estimate the asset's recoverable amount..

In assessing whether there is any indication that an asset may be impaired, the Municipality considers the following indications:

External sources of information.
During the period an asset’s market value has declined significantly more than would be expected as a result of passage of time or normal use.
Significant changes with an adverse effect on the Municipality have taken place during the period or will take place in the near future, in the technology, market, economic or legal environment in which the Municipality operates or in the market to which

Accounting Policies

1.10 Impairment of cash-generating assets (continued)
an asset is dedicated.
Market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use and decrease the asset's recoverable amount materially.
Internal sources of information
Evidence is available of obsolescence or physical damage of an asset.
Significant changes with an adverse effect on the Municipality have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, as asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite.
Evidence is available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.

Cash-generating units

An assets recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost to sell and its value in use and is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount an asset or CGU exceeds its recoverable amount,the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses are recognised in the Statement of Financial Performance in those expense categories consistent with the function of the impaired asset.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on systematic basis over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Municipality estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there as been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised, The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in the prior years. Such reversal is recognised in the Statement of Financial Performance.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate. A re-designation, by itself, does not necessary trigger an impairment test or a reversal of an impairment loss arises from as minimum, he indications listed above.

1.11 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

The Municipality assesses at each reporting date whether there is an indication that an asset need to be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Municipality estimates the asset's recoverable amount.
In assessing whether there is any indication that an asset may be impaired, the Municipality considers the following indications:

(a) External sources of information

Cessation, or near cessation, of demand or need for services provided by the asset.
Significant long-term changes with an adverse effect on the Municipality have taken place during the period or will take place in the near future, in the technology, legal or government policy environment in which the Municipalities operates.

Accounting Policies

1.11 Impairment of non-cash-generating assets (continued)

(b) Internal sources of information

Evidence is available of obsolescence or physical damage of an asset:.

Significant changes with an adverse effect on the Municipality have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, as asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite.

Evidence is available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Restoration cost approach

Restoration cost is the cost of restoring the service potential of an asset to its pre-impaired level. The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

Service units approach

The present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform to the reduced number of service units expected from the asset in its impaired state. The current cost of replacing the remaining service potential of the asset before impairment is determined as the depreciated reproduction or replacement cost of the asset before impairment, whichever is lower.

Accounting Policies

1.11 Impairment of non-cash-generating assets (continued)

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

1.12 Share capital / contributed capital

An equity instrument is any contract that evidences a residual interest in the assets of an municipality after deducting all of its liabilities.

1.13 Employee benefits

Post Retirement Medical Obligations

The Municipality provides post-retirement medical benefits by subsidizing the medical aid contributions of certain retired staff according to the medical aid funds. Council pays 60% as contribution and the remaining 40% are paid by the members. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The present value of the defined benefit liability is actuarially determined in accordance with GRAP 25 - Employee benefits (using a discount rate applicable to high quality government bonds). The plan is unfunded

These contributions are charged to the Statement of Financial Performance when employees have rendered the service entitling them to the contribution. The liability was calculated by means of the projected unit credit actuarial method. The liability in respect of current pensioners is regarded as fully accrued, and is therefore not split between a past (or accrued) and future in-service element. The liability is recognised at the fair value of the obligation. Payments made by the Municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and charged against the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs, These obligations are valued periodically by independent qualified actuaries.

Long service Awards

Accounting Policies

1.13 Employee benefits (continued)

Long service awards are provided to employees who achieve certain pre-determined milestone of service within the Municipality. The Municipality's obligation under these plans is valued by independent qualified actuaries periodically and the corresponding liability is raised. Payments are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

Provision for Staff Leave

Liabilities for annual leave are recognised as they accrued to employees, The liabilities is based on the total amount of leave days due to employees at year end and also on the total remuneration package of the employee.

Accumulating leave is carried forward and can be used in future periods if the current period's entitlement is not used in full.All unused leave will be paid out to the specific employee at the end of that employee's employment term.

Accumulated leave is vesting.

Staff Bonuses Accrued

Liabilities for staff bonuses are recognised as they accrue to employees. The liability at year end is based on bonus accrued at year end for each employee.

Provision for Performance Bonuses

A provision, in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees, is recognised as it accrue to Section 57 employees. Municipal entities' performance bonus provisions are on the employment contract stipulations as well as previous performance bonus payment trends.

Pension and retirement fund obligations

The Municipality provides retirement benefits for its employees and councillors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed constructions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable. Defined benefits are charged against income in the year they become payable. Defined benefit plan are post-employment benefits plans other than defined contribution plans. The defined benefit fund, which are administered on a provincial basis, are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities. The contributions and lump sum payments are charged against income in the year become payable. Sufficient information is not available to use defined benefit accounting for a multi-employer plan. As a result, defined benefit plans have been accounted for as if they were defined contributions plans.

Other short-term Employee Benefits

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognised that excess as an asset (pre paid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

Accounting Policies

1.14 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is possible.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal are not taken into account in measuring a provision. Provisions are not recognised for the future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met.

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of a activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date.

If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision shall be de-recognised

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 34.

1.15 Borrowing costs

1.16 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decision or assessments of users made on the basis of financial statements. Materiality depends on the nature or size of the omission or misstatements judged in the surrounding circumstances. The nature or size of the information item or a combination of both, could be the determining factor. Materiality is determined as 1% of total expenditure. This materiality is from management's perspective and does not correlate with the auditor's materiality.

1.17 Comparative Information

When the presentation or classification of items in the annual financial statements is amended, prior comparative amounts restated, unless a standard of GRAP does not require the restatements of comparative information. The nature and reason for the reclassification is disclosed. Where material accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

Accounting Policies

1.18 Budget information

The presentation of budget information is prepared in accordance with GRAP 24 and guidelines issued by National Treasury. The comparison of budget and actual amounts are disclosed as a separate additional financial statement, namely Statement of comparison of budget and actual amounts.

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2013-07-31 to 2014-06-30.

The comparable information includes the approved and final budget amounts aswell as the actual amounts and final budget amounts.

Explanations for differences between the approved and final budget are included in the Statement of Comparison of Budget and Actual Amounts.

Explanations for material differences between the final budget amounts and actual amounts are included in the Statement of Comparison of Budget and Actual Amounts.

The disclosure of comparative information in respect of the previous period is not required in terms of GRAP 24. No amendments or disclosure requirements in term of GRAP 3 (Revised - March 2012) has been made. .

1.19 Unspent conditional government grants and receipts

Conditional government grants are subjected to specific conditions. If these specific conditions are not met, the money received are repayable.

Unspent conditional grants are financial liabilities that are separately reflected on the Statement of Financial Position . They represent unspent government grants, subsidies and contributions from the public.

The liability always has to be cash-backed. The following provisions are set for the creation and utilisation of this creditor:

- Unspent conditional grants are recognised as a liability when the grant is received.
- When the grant conditions are met on an amount equal to the conditions met are transferred to revenue in the Statement of Financial Performance.
- The cash which backs up the creditor in invested as individual investment or part of the general investments of the Municipality until it is utilised.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.20 Unpaid conditional government grants and receipts

Unpaid conditional grants are assets in terms of the Framework that are separately reflected on the Statement of Financial Position.The assets is recognised when the Municipality has an enforceable right to receive the grant of if it is virtually certain that it will be received based on that grant conditions have been met. The represent unpaid government grants, subsidies and contributions from the public.

The following provisions are set for the creation and utilisation of the grant is receivables.

- Unpaid conditional grants are recognised as an asset when the grant is receivable.

Figures in Rand	2014	2013

2. Investment property

	2014			2013		
	Cost / Valuation	**Accumulated depreciation and accumulated impairment**	**Carrying value**	**Cost / Valuation**	**Accumulated depreciation and accumulated impairment**	**Carrying value**
Investment property	6 891 610	(805 096)	6 086 514	6 891 610	(671 015)	6 220 595

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

3. Property, plant and equipment

	2014			2013		
	Cost / Valuation	**Accumulated depreciation and accumulated impairment**	**Carrying value**	**Cost / Valuation**	**Accumulated depreciation and accumulated impairment**	**Carrying value**
Land	42 784 745	-	42 784 745	43 992 845	-	43 992 845
Buildings	9 316 181	(1 946 392)	7 369 789	9 316 181	(1 525 353)	7 790 828
Infrastructure	844 631 078	(83 283 005)	761 348 073	844 631 078	(77 742 756)	766 888 322
Landfill Sites	3 259 674	(544 419)	2 715 255	3 259 674	(248 288)	3 011 386
Other property, plant and equipment	18 919 355	(14 159 916)	4 759 439	17 853 510	(12 799 220)	5 054 290
Leased Assets	1 653 854	(1 416 222)	237 632	1 486 123	(1 321 114)	165 009
Work in Progress	22 298 115	-	22 298 115	-	-	-
Total	**942 863 002**	**(101 349 954)**	**841 513 048**	**920 539 411**	**(93 636 731)**	**826 902 680**

Reconciliation of property, plant and equipment - 2014

	Opening balance	**Additions**	**Transfers**	**Depreciation**	**Total**
Land	43 992 845	-	(1 208 100)	-	42 784 745
Buildings	7 790 828	-	-	(421 039)	7 369 789
Infrastructure	766 888 322	-	-	(5 540 249)	761 348 073
Landfills	3 011 386	-	-	(296 131)	2 715 255
Other property, plant and equipment	5 054 290	1 065 845	-	(1 360 696)	4 759 439
Leased Assets	165 009	167 731	-	(95 108)	237 632
Work in progress	-	22 298 115	-	-	22 298 115
	826 902 680	**23 531 691**	**(1 208 100)**	**(7 713 223)**	**841 513 048**

Reconciliation of property, plant and equipment - 2013

	Opening balance	**Additions**	**WIP**	**Depreciation**	**Total**
Land	43 992 845	-	-	-	43 992 845
Buildings	7 789 805	411 894	-	(410 871)	7 790 828
Infrastructure	746 735 931	25 775 219	11 959 035	(17 581 863)	766 888 322
Landfills	2 627 630	632 044	-	(248 288)	3 011 386
Other property, plant and equipment	4 991 222	721 198	-	(658 130)	5 054 290
Leased Assets	527 084	15 313	-	(377 388)	165 009
	806 664 517	**27 555 668**	**11 959 035**	**(19 276 540)**	**826 902 680**

Figures in Rand	2014	2013

3. Property, plant and equipment (continued)

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

4. Intangible assets

	2014			2013		
	Cost / Valuation	**Accumulated amortisation and accumulated impairment**	**Carrying value**	**Cost / Valuation**	**Accumulated amortisation and accumulated impairment**	**Carrying value**
Intangible assets	2 178 141	(1 827 405)	350 736	2 178 141	(1 424 853)	753 288

5. Inventories

Water	88 927	-
Consumables	660 183	575 453
Unsold Properties Held for Resale	4 646 658	-
Bulk Electricity	189 903	-
	5 585 671	**575 453**

6. Receivables from exchange transactions

Deposits	24 000	-
NC Department of transport	390 088	-
Other receivables	-	458 123
Sundry Debtor - MM.Moselane	336 051	-
Sundry Debtor - OJ Isaacs	201 734	-
Sundry Debtor - S.Henga	181 423	-
Deposits - Eskom	94 410	-
Sundry Debtor - COGSTHA	463 396	-
Liberty and Stanlib	122 958	-
Housing Debtor	19 165 263	-
	20 979 323	**458 123**

7. Receivables from non-exchange transactions

Department of Health Grant	2 886 000	2 886 000

8. Consumer debtors

Gross balances		
Rates	12 135 160	8 972 973
Electricity	11 917 614	11 992 465
Water	43 308 993	33 630 607
Sewerage	27 306 709	21 272 729
Refuse	16 523 402	11 309 662
Miscallaneous no vat	2 437 596	2 621 840
Miscallaneous	2 457 229	2 357 332
	116 086 703	**92 157 608**

Figures in Rand	2014	2013

8. Consumer debtors (continued)

Less: Allowance for impairment		
Rates	(9 891 955)	(8 279 246)
Electricity	(5 879 903)	(5 996 746)
Water	(39 933 430)	(30 981 811)
Sewerage	(24 897 260)	(20 650 872)
Refuse	(15 466 149)	(11 060 408)
Business service levies	(124 936)	176 523
Miscallaneous	(2 232 901)	(2 304 122)
Other (specify)	(87 692)	(87 692)
	(98 514 226)	**(79 184 374)**
Net balance		
Rates	2 243 205	693 727
Electricity	6 037 711	5 995 719
Water	3 375 563	2 648 796
Sewerage	2 409 449	621 857
Refuse	1 057 253	249 254
Miscellanous Vat	(124 936)	176 523
Miscellanous No Vat	224 328	53 210
Other (specify)	(87 692)	(87 692)
	15 134 881	**10 351 394**
Rates		
Current (0 -30 days)	79 357	47 555
31 - 60 days	77 456	44 174
61 - 90 days	61 240	36 912
91 - 120 days	56 752	44 790
121 - 365 days	59 469	39 685
> 365 days	1 908 932	480 611
	2 243 206	**693 727**
Electricity		
Current (0 -30 days)	213 592	179 895
31 - 60 days	208 476	167 107
61 - 90 days	164 830	139 633
91 - 120 days	152 752	169 435
121 - 365 days	160 065	150 123
> 365 days	5 137 995	5 189 525
	6 037 710	**5 995 718**
Water		
Current (0 -30 days)	119 415	72 836
31 - 60 days	116 555	67 659
61 - 90 days	92 153	56 535
91 - 120 days	85 400	68 601
121 - 365 days	89 489	60 782
> 365 days	2 872 550	2 101 149
	3 375 562	**2 427 562**

Figures in Rand	2014	2013

8. Consumer debtors (continued)

Sewerage		
Current (0 -30 days)	85 238	18 658
31 - 60 days	83 196	17 332
61 - 90 days	65 778	14 482
91 - 120 days	60 958	17 573
121 - 365 days	63 876	15 570
> 365 days	2 050 403	538 241
	2 409 449	**621 856**
Refuse		
Current (0 -30 days)	37 402	7 479
31 - 60 days	36 506	6 947
61 - 90 days	28 863	5 805
91 - 120 days	26 748	7 044
121 - 365 days	28 029	6 241
> 365 days	899 705	215 739
	1 057 253	**249 255**
Miscellanous Vat		
Current (0 -30 days)	(4 420)	5 296
31 - 60 days	(4 314)	4 920
61 - 90 days	(3 411)	4 111
91 - 120 days	(3 161)	4 988
121 - 365 days	(3 312)	4 420
> 365 days	(106 319)	152 787
	(124 937)	**176 522**
Miscellaneous No Vat		
Current (0 -30 days)	7 936	1 597
31 - 60 days	7 746	1 483
61 - 90 days	6 124	1 239
91 - 120 days	5 675	1 504
121 - 365 days	5 947	1 332
> 365 days	190 900	46 055
	224 328	**53 210**
Other (specify)		
Current (0 -30 days)	(3 102)	(2 631)
31 - 60 days	(3 028)	(2 444)
61 - 90 days	(2 394)	(2 042)
91 - 120 days	(2 219)	(2 478)
121 - 365 days	(2 325)	(2 196)
> 365 days	(74 624)	(75 901)
	(87 692)	**(87 692)**

Notes to the Annual Financial Statements

Figures in Rand	2014	2013

8. Consumer debtors (continued)

Summary of debtors by customer classification

Consumers		
Current (0 -30 days)	3 155 686	1 928 915
31 - 60 days	2 985 601	1 880 246
61 - 90 days	2 571 220	1 711 340
91 - 120 days	2 335 388	2 035 268
121 - 365 days	17 796 007	14 841 583
> 365 days	65 009 049	50 775 766
	93 852 951	73 173 118
Less: Allowance for impairment	(84 330 171)	(70 035 036)
	9 522 780	**3 138 082**
Industrial/ commercial		
Current (0 -30 days)	1 535 911	440 722
31 - 60 days	653 465	411 534
61 - 90 days	326 401	217 245
91 - 120 days	344 219	299 983
121 - 365 days	3 093 881	2 463 518
> 365 days	5 563 090	4 345 090
	11 516 967	8 178 092
Less: Allowance for impairment	(10 663 715)	(9 552 276)
	853 252	**(1 374 184)**
National and provincial government		
Current (0 -30 days)	321 193	177 939
31 - 60 days	179 042	112 756
61 - 90 days	192 074	127 840
91 - 120 days	170 985	149 012
121 - 365 days	2 336 859	1 887 790
> 365 days	4 419 908	3 452 200
	7 620 061	5 907 537
Less: Allowance for impairment	(6 495 588)	(1 993 830)
	1 124 473	**3 913 707**
Total		
Current (0 -30 days)	5 419 543	2 685 667
31 - 60 days	3 961 368	2 494 757
61 - 90 days	3 132 030	2 084 602
91 - 120 days	2 902 517	2 529 515
121 - 365 days	23 609 271	19 526 378
> 365 days	77 061 975	62 836 687
	116 086 704	92 157 606
Less: Allowance for impairment	(100 951 822)	(81 806 212)
	15 134 882	**10 351 394**
Reconciliation of allowance for impairment		
Balance at beginning of the year	(81 806 214)	(80 848 053)
Contributions to allowance	(19 145 608)	(958 161)
	(100 951 822)	**(81 806 214)**

Figures in Rand	2014	2013

9. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	2 750	2 750
Short term investments	13 909 617	23 660 875
Bank overdraft	(18 593 296)	(12 009 588)
	(4 680 929)	**11 654 037**
Current assets	13 912 367	23 663 625
Current liabilities	(18 593 296)	(12 009 588)
	(4 680 929)	**11 654 037**

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2014	30 June 2013	30 June 2012	30 June 2014	30 June 2013	30 June 2012
ABSA BANK - Fixed Deposit - 20-5952-4576	559 820	526 572	513 182	559 820	-	-
ABSA BANK - Fixed Deposit - 20-6256-9642	281 404	281 404	281 404	281 404	-	-
ABSA BANK - Fixed Deposit - 20-7031-7223	8 200 000	8 200 000	8 798 601	8 650 857	-	-
ABSA BANK - Cheque Account - 21-3000-0021	7 992 080	-	14 530 683	(18 593 296)	(12 009 588)	(11 838 646)
ABSA BANK - Notice Deposit - 40-8431-6585	-	2 197 325	553 593	-	-	-
ABSA BANK - Savings Account - 91-1896-0103	1 906	1 906	1 906	1 906	-	-
ABSA BANK - Savings Account - 91-4243-0487	47 953	2 769 154	1 933	47 953	-	-
ABSA BANK - Savings Account - 91-4992-3609	891 000	1 000	1 045	891 000	-	-
ABSA BANK - Savings Account - 91-4992-3764	2 181 360	5 432 609	15 923 778	2 181 360	-	-
ABSA BANK - Savings Account - 91-5766-2037	1 265 286	1 244 176	1 718 100	1 282 112	-	-
ABSA BANK - Savings Account - 91-9325-6761	1 578	1 578	1 578	1 578	-	-
ABSA BANK - Savings Account - 91-9997-6220	2 500	3 001 285	1 285	2 500	-	-
ABSA BANK - Savings Account - 92-6852-8140	2 398	1 865	-	2 398	-	-
ABSA BANK - Savings Account - 92-7098-3578	1 001	1 000	-	1 001	-	-
ABSA BANK - Savings Account - 91-7572-2826	5 636	1 000	-	(14 000)	-	-
Total	**21 433 922**	**23 660 874**	**42 327 088**	**(4 703 407)**	**(12 009 588)**	**(11 838 646)**

Figures in Rand	2014	2013

10. Finance lease obligation

Minimum lease payments due		
- within one year	130 130	68 676
- in second to fifth year inclusive	228 141	178 272
	358 271	246 948
less: future finance charges	(41 526)	(35 734)
Present value of minimum lease payments	**316 745**	**211 214**
Non-current liabilities	210 125	158 383
Current liabilities	106 620	52 831
	316 745	**211 214**

It is municipality policy to lease certain office equipment under finance leases.

The average lease term was 3-5 years and the average effective borrowing rate was 9% (2013: 9%).

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

11. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
Dep of Local Housing	686 319	(19 569)
Municipal Infrastructure Grant	2 164 394	4 575 410
Dept of Water Affairs	11 396 817	11 396 817
Roget Beneke	719 903	615 208
Assmang/Kumba Sewer Plant	263 226	43 489
Kumba Projects	1 060 762	4 717 941
Dept of Arts and Culture	(375 827)	(641 855)
E - Learning (Library)	1 052 632	1 052 632
Library	2 021 723	2 020 757
Lotto	26 008	26 008
	19 015 957	**23 786 838**

See note 21 for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

Figures in Rand	2014	2013

12. Provisions

Reconciliation of provisions - 2014

	Opening Balance	Utilised during the year	Total
Environmental rehabilitation	9 870 862	485 384	10 356 246
Long service awards	2 111 595	131 405	2 243 000
	11 982 457	**616 789**	**12 599 246**

Reconciliation of provisions - 2013

	Opening Balance	Interest	Total
Environmental rehabiliation	9 155 668	715 194	9 870 862
Long service awards	1 719 753	391 842	2 111 595
	10 875 421	**1 107 036**	**11 982 457**

13. Retention

The retention money recognised compromises of previous years balance of R 495 559,44 which relates to previous year's housing projects. The remaining balance relates to 2013 -2014 appointments. These are MIG and Housing projects.

14. Long term loan

The Municipality acquired one loan from DBSA. The loan is repayable quarterly at the rate of 5%. The loan is redeemable on the 30 June 2017.The Loans are unsecured. Further details of the loans are included in Appendix A to the annual financial statements.

15. Payables from exchange transactions

Trade payables	17 080 292	33 780 665
Debtors with credit balances	1 360 960	1 034 761
Un-allocated Deposits	23 145 566	4 213
Deposits received	19 877	-
Retentions	2 675 720	495 559
Sundry creditors	4 847 612	4 375 902
	49 130 027	**39 691 100**

16. VAT payable

Tax refunds payables	33 157 968	35 216 638

17. Consumer deposits

Consumer debtors	1 730 241	1 383 452

Figures in Rand	2014	2013

18. Revenue

Sale of land	29 000 000	-
Service charges	73 146 329	70 717 410
Income from agency services	636 799	677 964
Licences and permits	262 888	821 369
Fees earned	872 659	500 804
Rental income	292 567	301 918
Insurance claims received	24 101	-
Donations received	15 532 016	23 778 505
Other income	3 398 583	-
Interest received - investment	880 398	1 638 882
Property rates	21 992 589	10 546 269
Government grants & subsidies	61 059 113	66 592 415
Fines	81 269	155 614
	207 179 311	**175 731 150**

The amount included in revenue arising from exchanges of goods or services are as follows:

Sale of goods	29 000 000	-
Service charges	73 146 329	70 717 410
Income from agency services	636 799	677 964
Licences and permits	262 888	821 369
Fees earned	872 659	500 804
Rental income	292 567	301 918
Insurance claims received	24 101	-
Donations received	15 532 016	23 778 505
Other income - (rollup)	3 398 583	-
Interest received - investment	880 398	1 638 882
	124 046 340	**98 436 852**

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue		
Property rates	21 992 589	10 546 269
Transfer revenue		
Government grants & subsidies	61 059 113	66 592 415
Fines	81 269	155 614
	83 132 971	**77 294 298**

19. Property rates

Rates received

Residential	21 992 589	10 546 269

20. Service charges

Sale of electricity	37 403 846	37 766 918
Sale of water	17 757 340	21 652 792
Sewerage and sanitation charges	9 968 730	7 392 138
Refuse removal	8 016 413	3 905 562
	73 146 329	**70 717 410**

Figures in Rand	2014	2013

21. Government grants and subsidies

Operating grants		
Equitable share	26 148 314	25 127 596
EPWP Grant	1 000 000	1 000 000
FMG Grant	1 650 000	1 500 000
MSIG Grant	890 000	800 000
R. Beneke Grant	859 523	823 320
Library Grant	621 034	769 250
Health Grant	-	845 806
Kolomela - Sedibeng	7 000 000	-
	38 168 871	30 865 972
Capital grants		
MIG Grant	11 933 016	9 844 590
Housing: Green Water	2 607 252	-
Housing: Maranteng	4 692 795	-
Kumba Grant	3 657 179	22 461 786
Housing: Newtown	-	707 311
Assmang/Kumba SLP	-	2 712 756
	22 890 242	35 726 443
	61 059 113	**66 592 415**

Housing grant

Balance unspent at beginning of year	(19 569)	(19 569)
Current-year receipts	7 909 035	-
Conditions met - transferred to revenue	(7 203 147)	-
	686 319	**(19 569)**

Conditions still to be met - remain liabilities (see note 11).

MIG

Balance unspent at beginning of year	4 575 410	1 787 596
Current-year receipts	9 522 000	14 420 000
Conditions met - transferred to revenue	(11 933 016)	(9 844 590)
Returned to National Revenue Fund	-	(1 787 596)
	2 164 394	**4 575 410**

Conditions still to be met - remain liabilities (see note 11).

MSIG

Current-year receipts	890 000	800 000
Conditions met - transferred to revenue	(890 000)	(800 000)
	-	**-**

Conditions still to be met - remain liabilities (see note 11).

FMG

Current-year receipts	1 650 000	1 500 000
Conditions met - transferred to revenue	(1 650 000)	(1 500 000)
	-	**-**

Figures in Rand	2014	2013

21. Government grants and subsidies (continued)

Conditions still to be met - remain liabilities (see note 11).

DWAF

Balance unspent at beginning of year	11 396 817	11 396 817

Conditions still to be met - remain liabilities (see note 11).

ROGET

Balance unspent at beginning of year	615 208	615 208
Current-year receipts	964 217	822 016
Conditions met - transferred to revenue	(859 523)	(822 016)
	719 902	**615 208**

Conditions still to be met - remain liabilities (see note 11).

KUMBA/ASSMANG SEWERAGE

Balance unspent at beginning of year	43 489	-
Current-year receipts	219 737	43 489
	263 226	**43 489**

Conditions still to be met - remain liabilities (see note 11).

TSASAMBA/KUMBA

Balance unspent at beginning of year	4 717 941	2 557 843
Current-year receipts	-	24 621 884
Conditions met - transferred to revenue	(3 657 179)	(22 461 786)
	1 060 762	**4 717 941**

Conditions still to be met - remain liabilities (see note 11).

HEALTH GRANT

Balance unspent at beginning of year	(641 855)	203 951
Current-year receipts	266 028	(845 806)
	(375 827)	**(641 855)**

Conditions still to be met - remain liabilities (see note 11).

KOLOMELA E-LEARNING

Balance unspent at beginning of year	1 052 632	1 052 632

Conditions still to be met - remain liabilities (see note 11).

LIBRARY GRANT

Balance unspent at beginning of year	2 020 757	2 293 007
Current-year receipts	622 000	497 000
Conditions met - transferred to revenue	(621 034)	(769 250)
	2 021 723	**2 020 757**

Figures in Rand	2014	2013

21. Government grants and subsidies (continued)

Conditions still to be met - remain liabilities (see note 11).

EPWP

Current-year receipts	1 000 000	1 000 000
Conditions met - transferred to revenue	(1 000 000)	(1 000 000)
	-	**-**

Conditions still to be met - remain liabilities (see note 11).

KOLOMELA - (SEDIBENG GRANT)

Current-year receipts	(7 000 000)	-
Conditions met - transferred to revenue	7 000 000	-
	-	**-**

Conditions still to be met - remain liabilities (see note 11).

LOTTO PROJECT GRANT

Balance unspent at beginning of year	26 008	26 008

Conditions still to be met - remain liabilities (see note 11).

22. Other revenue

Fees earned	872 659	500 804
Rental income - third party	292 567	301 918
Insurance Claim Refund	24 101	-
Donations	15 532 016	23 778 505
Other income - (rollup)	3 398 583	-
	20 119 926	**24 581 227**

Notes to the Annual Financial Statements

Figures in Rand	2014	2013

23. General expenses

Advertising	257 294	94 215
Auditors remuneration	3 828 061	3 199 197
Bank charges	349 546	270 741
Consulting and professional fees	9 746 384	230 741
Delivery expenses	3 110	3 480
Entertainment	136 032	382 102
Fines and penalties	298 859	28 579 888
Gifts	702	-
Insurance	304 503	279 939
Conferences and seminars	36 970	-
Lease rentals on operating lease	-	6 506
Motor vehicle expenses	1 897 932	1 660 051
Postage and courier	254 096	328 470
Printing and stationery	396 627	512 335
Protective clothing	211 414	276 024
Royalties and license fees	894 560	1 452 548
Subscriptions and membership fees	1 129 264	353 568
Telephone and fax	881 225	1 011 819
Training	504 395	2 447 713
Travel - local	882 516	866 630
Electricity	756 067	745 317
Uniforms	113	-
Actuarial losses	-	1 003 126
Operating grant expenditure	243 311	5 333 844
Chemical expenses	483 375	464 773
Cleaning Materials	107 523	51 364
Valuation expenses	-	1 702 047
Other expenses	1 693 584	(249 011)
Sale of goods	11 561 442	-
	36 858 905	**51 007 427**

Figures in Rand	2014	2013

24. Employee related costs

Basic	28 763 401	26 907 054
Medical aid - company contributions	1 517 074	1 394 172
UIF	301 367	309 335
SDL	385 015	366 839
Other payroll levies	17 604	15 265
Pension fund contribution	3 952 223	3 723 081
Provident fund contribution	127 200	153 592
Leave provision expense	293 050	1 109 637
Defined contribution plans	-	577 856
Travel, motor car, accommodation, subsistence and other allowances	3 910 976	2 331 193
Overtime payments	4 439 566	3 463 385
Long-service awards	172 810	173 050
13th Cheques	2 087 652	2 053 812
Housing benefits and allowances	50 938	90 828
Standby Allowance	598 830	629 732
Cellphone Allowance	16 757	-
Protective Clothing	145	189
Extra Odinary Compensation	18 978	-
	46 653 586	**43 299 020**

Remuneration of municipal manager

Annual Remuneration	599 972	367 083
Transport Allowance	124 500	162 000
Contributions to UIF, Medical and Pension Funds	-	915
	724 472	**529 998**

H.G Mathobela has been appointed in the position of Municipal Manager from February 2014.

O. J Isaacs have been acting Municipal Manager from September 2013 up until January 2014

G. Lategaan has been the Municipal Manager for the month of July 2013.

Remuneration of chief finance officer

Annual Remuneration	440 605	288 705
Transport Allowance	103 858	67 164
Contributions to UIF, Medical and Pension Funds	-	37 763
Acting Allowance	-	354 161
Housing Allowance	-	6 786
	544 463	**754 579**

A.Kooverjee has been appointed in the position of Chief Financial Officer from February 2014.

I.C. Nkadimang has been acting Chief Financial Officer from July 2013 up until January 2014.

Remuneration of Technical Director

Annual Remuneration	438 088	317 220
Transport Allowance	147 624	92 520
Contributions to UIF, Medical and Pension Funds	-	24 992
Acting Allowance	-	383 414
Housing Subsidy	-	6 264
	585 712	**824 410**

Figures in Rand	2014	2013

24. Employee related costs (continued)

M. Links has been appointed in the position of Technical Director from February 2014.

J.P. Majiedt has been acting Technical Director from July 2013 up until January 2014.

Corporate and human resources (corporate services)

Annual Remuneration	526 078	562 262
Transport Allowance	203 618	218 528
Contributions to UIF, Medical and Pension Funds	-	29 966
	729 696	**810 756**

I.C. Nkadimang has been appointed in the position of Corporate Services Director from February 2014.

O.J. Isaacs has been in the position of Corporate Services Director from July 2013 up until January 2014.

Remuneration of Community Services Director

Annual Remuneration	517 110	386 103
Transport Allowance	267 084	174 370
Contributions to UIF, Medical and Pension Funds	-	29 966
	784 194	**590 439**

25. Remuneration of councillors

Councillors	3 830 597	2 602 563
Industrial Council	610	-
	3 831 207	**2 602 563**

26. Debt impairment

Debt impairment	19 145 610	22 607 403

27. Investment revenue

Interest revenue		
Investments	-	1 636 284
Bank	880 398	2 598
	880 398	**1 638 882**

28. Depreciation and amortisation

Property, plant and equipment	26 209 106	53 086 943

29. Finance costs

Trade and other payables	2 867 361	3 920 154
Finance leases	73 087	115 415
Bank	959	-
Current borrowings	1 300 817	848 962
Capitalised	-	240
Actuarial Interest	1 155 557	858 739
	5 397 781	**5 743 510**

Notes to the Annual Financial Statements

Figures in Rand	2014	2013
30. Auditors' remuneration		
Fees	3 828 061	3 199 197
31. Bulk purchases		
Electricity	26 902 790	21 079 433
Water	10 903 979	11 884 379
	37 806 769	**32 963 812**
32. Cash generated from operations		
Surplus (deficit)	27 777 450	(37 866 894)
Adjustments for:		
Depreciation and amortisation	26 209 106	53 086 943
Gain on sale of assets and liabilities	-	31 851
Finance costs - Finance leases	73 087	115 415
Impairment deficit	-	99 443
Debt impairment	19 145 610	22 607 403
Movements in operating lease assets and accruals	(24 883)	(24 882)
Movements in retirement benefit assets and liabilities	(2 327 351)	(2 478 477)
Movements in provisions	616 789	7 340 104
Other non-cash items	(1 751 143)	(31 748 103)
Changes in working capital:		
Inventories	(5 010 218)	391 702
Receivables from exchange transactions	(20 521 200)	(174 463)
Consumer debtors	(23 929 097)	(31 164 360)
Other receivables from non-exchange transactions	-	(2 886 000)
Payables from exchange transactions	9 438 936	13 220 001
VAT	(2 058 670)	34 486 817
Unspent conditional grants and receipts	(4 770 881)	4 854 470
Consumer deposits	346 789	542 262
Non-cash item - Inventory developed and donated by mine	(15 000 000)	-
Short term portion of long term loan	(2 387)	607 683
	8 211 937	**31 040 915**
33. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	12 429 490	19 822 317
Not yet contracted for and authorised by accounting officer		
• Property, plant and equipment	14 760 000	14 282 000

Figures in Rand	2014	2013

34. Contingencies

Litigation is in process against the municipality relating to a dispute with a member of the public who alleges that the municipality's road has damaged his car and is seeking damages of R 45 000. The municipality's lawyers and management consider the likelihood of the action against the municipality being successful as likely.

The municipality has instituted legal action against members of the public involved in "Land grabs" - illegally occupying municipal property. The municipality has appointed lawyers to evict the individuals involved. It is not practical to determine the cost implications at year end.

A supplier is suing the municipality for non-payment of his invoices amounting to R 498 000. The matter has gone to the High court.

Another supplier is also suing the municipality for dishonouring payment obligations relating to a contract to construct sewer networks. An amount of R 1 300 000 is claimed by the supplier.

The municipality is being sued for building a clinic on someone's land. The plaintiff instituted a claim of R 4 000 000 against the municipality for damages.

A corporate consultant company is suing the municipality for unpaid invoices. The municipality is not in possession of the invoices and the amount of the claim is not yet clarified.

The municipality is being sued by the tenant of the municipal golf club for expenses incurred in the alleged renovation of the golf club. The plaintiff is claiming damages of about R 8 000 0000.

36 former employees have instituted a claim of unfair dismissal against the municipality. The matter has gone to the CCMA.

35. Prior period errors

1. The municipality incorrectly classified an amount relating to un-allocated deposits in the previous financial year.
An amount of R 1 519 819 has been reclassified from creditors to un-allocated debtor deposits.

2. The muncipality did not disclose its commitments in the previous financial year.
Operational commitments of R 331, 402 and Capital commitments of R 19 822 318 have been disclosed for the previous year.

3. The muncipality did not disclose contingent liabilities in the previous period. These has been disclosed in note 39.

4. The municipality corrected its entire fixed asset register and decided to restate prior year figures in this regards.
The impact is that Property, plant and equipment has been adjusted to a cost of R 138 247 430. Refer to note 3.

5. The trade creditors were stated at incorrect amounts without being reconciled. The municipality has reconciled the previous year trade creditors and restated the balance sheet amount to R 7 910 998. Refer to note 12.

6. The municipality did not diclosed its retention creditors in the previous year. Retention creditors of R 2 286 421 have been created for the previous year. Refer to note 12.

7. The municipality did not its debtors in terms of GRAP 104 and IAS 39. The debtors impairment and discounting has been recalculated and restated for the previous year R 8 472 935 Refer note 9.

8. The Provincial Department of Health owes the municipality an amount of R 2, 886, 000 as result of a grant which was gazzetted but not actually paid to the municipality. The amount was erronously corrected as a R 2 930, 574 in the previous year financial statements. The difference of R 44, 574 is corrected as prior period error in the current year.

9.The municipality appointed an environmental specialist to revalue the landfill site rehabilitation provision. The prior year amount was increased by R 6 200 132

10. Unspent grants were also restated resulting in increase of R 2 562 498.

Figures in Rand		2014	2013

35. Prior period errors (continued)

Statement of financial position			
Unallocated deposits		-	(1 519 819)
Property, plant and equipment		-	138 247 438
Payables		-	(7 910 998)
Consumer debtors		-	8 472 936
Receivables from non-exchange transactions		-	(44 575)
Provisions		-	(6 200 132)
Opening Accumulated Surplus or Deficit		-	(123 069 581)
Unspent grant		-	(2 562 498)

36. Risk management

Financial risk management

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

37. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to procure funding for the ongoing operations for the municipality.

38. Events after the reporting date

There were no material events after reporting date which require disclosure.

39. Unauthorised expenditure

Opening Balance	328 397 318	268 340 970
Add: Unauthorised Expenditure - current year	5 750 276	60 056 348
	334 147 594	**328 397 318**

Figures in Rand	2014	2013

40. Fruitless and wasteful expenditure

Opening Balance	42 417 590	9 880 377
Add: Fruitless and Wasteful Expenditure - current year	2 543 874	32 537 213
	44 961 464	**42 417 590**

41. Irregular expenditure

Opening balance	53 911 678	52 548 895
Add: Irregular Expenditure - current year	4 162 662	1 362 783
	58 074 340	**53 911 678**

42. In-kind donations and assistance

Donor		
Kumba Iron Ore - vehicles	-	3 172 460
Assmang mine - PPE	-	20 606 045
Kumba Iron ore - Land developed	15 000 000	-
Other donors	532 016	-
	15 532 016	**23 778 505**

43. Additional disclosure in terms of Municipal Finance Management Act

Audit fees

Opening balance	2 346 505	790 230
Current year subscription / fee	3 828 061	2 346 505
Amount paid - previous years	(2 346 505)	(790 230)
	3 828 061	**2 346 505**

PAYE and UIF

Opening balance	58 024	58 024
Current year subscription / fee	2 179 722	5 236 272
Amount paid - current year	(2 179 722)	(5 236 272)
	58 024	**58 024**

Pension and Medical Aid Deductions

Opening balance	1 103 680	1 103 680
Current year subscription / fee	3 952 223	4 608 367
Amount paid - current year	(3 769 015)	(4 608 367)
	1 286 888	**1 103 680**

VAT

VAT payable	33 157 968	35 216 638

VAT output payables and VAT input receivables are shown in note .

All VAT returns have been submitted by the due date throughout the year.

Figures in Rand	2014	2013

43. Additional disclosure in terms of Municipal Finance Management Act (continued)

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2014:

30 June 2014	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
E.R.J. Phete	1 783	75 655	77 438
M. Mashila	907	5 355	6 262
J.J. Swart	1 191	-	1 191
J. Tonyane	349	18 806	19 155
S.R. De Bruin	45 211	84 290	129 501
M. Oliphant	1 284	3 508	4 792
J. Rooiland	717	-	717
W. Bessies	1 575	15 781	17 356
O.J. Kgoronyane	37	123	160
M. Mabilo	61	164	225
	53 115	**203 682**	**256 797**

30 June 2013	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
E.R.J. Phete	-	64 181	64 181
M. Mashila	-	4 486	4 486
J. Tonyane	-	17 434	17 434
S.R. De Bruin	-	2 379	2 379
	-	**88 480**	**88 480**

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

44. Budget differences

Material differences between budget and actual amounts

The excess of actual expenditure over the final budget was due to unplanned expenses.

Changes from the approved budget to the final budget

The changes between the approved and final budget are a consequence of the adjustment of the budget as part of the mid-term financial review process.

Tsantsabane Municipality
Appendix A

Schedule of external loans as at 30 June 2010

	Loan Number	Redeemable	Balance at 30 June 2013	Received during the period	Redeemed written off during the period	Balance at 30 June 2014	Carrying Value of Property, Plant & Equip	Other Costs in accordance with the MFMA
			Rand	Rand	Rand	Rand	Rand	Rand
Loan Stock			-	-	-	-	-	-
DBSA								
]			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	**-**	**-**	**-**	**-**	**-**
Funding facility			**-**	**-**	**-**	**-**	**-**	**-**
Development Bank of South Africa								
	61007013	30 June 2017	2 343 313	-	1 050 044	1 293 269	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			2 343 313	**-**	**1 050 044**	**1 293 269**	**-**	**-**
Bonds			**-**	**-**	**-**	**-**	**-**	**-**
Other loans			**-**	**-**	**-**	**-**	**-**	**-**
Lease liability			**-**	**-**	**-**	**-**	**-**	**-**
Annuity loans			**-**	**-**	**-**	**-**	**-**	**-**
Government loans			**-**	**-**	**-**	**-**	**-**	**-**
Total external loans								

Tsantsabane Municipality
Appendix A

Schedule of external loans as at 30 June 2010

	Loan Number	Redeemable	Balance at 30 June 2013	Received during the period	Redeemed written off during the period	Balance at 30 June 2014	Carrying Value of Property, Plant & Equip	Other Costs in accordance with the MFMA
			Rand	Rand	Rand	Rand	Rand	Rand
Loan Stock			-	-	-	-	-	-
DBSA			-	-	-	-	-	-
Funding facility			-	-	-	-	-	-
Development Bank of South Africa			2 343 313	-	1 050 044	1 293 269	-	-
Bonds			-	-	-	-	-	-
Other loans			-	-	-	-	-	-
Lease liability			-	-	-	-	-	-
Annuity loans			-	-	-	-	-	-
Government loans			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			2 343 313	**-**	**1 050 044**	**1 293 269**	**-**	**-**

Tsantsabane Municipality
Tsantsabane Municipality
Appendix B

Analysis of property, plant and equipment as at 30 June 2014

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
Land and buildings														
Land (Separate for AFS purposes)	43 992 845	-	(1 208 100)	-	-	-	**42 784 745**	-	-	-	-	-	**-**	42 784 745
Landfill Sites (Separate for AFS pursoses)	3 259 674	-	-	-	-	-	**3 259 674**	(248 288)	-	-	(296 131)	-	**(544 419)**	2 715 255
Quarries (Separate for AFS purposes)	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Buildings (Separate for AFS purposes)	9 316 181	-	-	-	-	-	**9 316 181**	(1 525 353)	-	-	(421 039)	-	**(1 946 392)**	7 369 789
	56 568 700	**-**	**(1 208 100)**	**-**	**-**	**-**	**55 360 600**	**(1 773 641)**	**-**	**-**	**(717 170)**	**-**	**(2 490 811)**	**52 869 789**
Infrastructure														
Roads, Pavements & Bridges	491 021 902	-	-	-	-	-	**491 021 902**	(57 880 943)	-	-	(5 540 248)	-	**(63 421 191)**	427 600 711
Storm water	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Generation	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Transmission & Reticulation	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Street lighting	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Dams & Reservoirs	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Water purification	140 011 396	-	-	-	-	-	**140 011 396**	(6 428 434)	-	-	-	-	**(6 428 434)**	133 582 962
Reticulation	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Reticulation	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Sewerage purification	157 197 822	-	-	-	-	-	**157 197 822**	(9 240 399)	-	-	-	-	**(9 240 399)**	147 957 423
Transportation (Airports, Car Parks, Bus Terminals and Taxi Ranks)	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Housing	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Waste Management	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Electricity	54 563 613	-	-	-	-	-	**54 563 613**	(4 156 281)	-	-	-	-	**(4 156 281)**	50 407 332
Other (fibre optic, WIFI infrastructur)	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Buildings	1 836 345	-	-	-	-	-	**1 836 345**	(36 699)	-	-	-	-	**(36 699)**	1 799 646
	844 631 078	**-**	**-**	**-**	**-**	**-**	**844 631 078**	**(77 742 756)**	**-**	**-**	**(5 540 248)**	**-**	**(83 283 004)**	**761 348 074**
Community Assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Tsantsabane Municipality
Tsantsabane Municipality
Appendix B

Analysis of property, plant and equipment as at 30 June 2014

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
Heritage assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets														
General vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant & equipment	4 237 448	208 864	-	-	-	-	**4 446 312**	(4 144 227)	-	-	(72 509)	-	**(4 216 736)**	229 576
Computer Equipment	1 491 392	139 522	-	-	-	-	**1 630 914**	(1 443 526)	-	-	(30 962)	-	**(1 474 488)**	156 426
Computer Software (part of computer equipment)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	4 425 773	13 940	-	-	-	-	**4 439 713**	(3 528 001)	-	-	(495 219)	-	**(4 023 220)**	416 493
Office Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Equipment - Leased	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security measures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Civic land and buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other buildings	144 000	-	-	-	-	-	**144 000**	(92 934)	-	-	(17 131)	-	**(110 065)**	33 935
Transport Assets	7 554 896	462 766	-	-	-	-	**8 017 662**	(3 590 532)	-	-	(744 875)	-	**(4 335 407)**	3 682 255
Bins and Containers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Work in progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	240 736	-	-	-	-	**240 736**	-	-	-	-	-	-	240 736
Other Assets - Leased	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	17 853 509	**1 065 828**	**-**	**-**	**-**	**-**	**18 919 337**	**(12 799 220)**	**-**	**-**	**(1 360 696)**	**-**	**(14 159 916)**	**4 759 421**

Tsantsabane Municipality
Tsantsabane Municipality
Appendix B

Analysis of property, plant and equipment as at 30 June 2014

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
Total property plant and equipment														
Land and buildings	56 568 700	-	(1 208 100)	-	-	-	**55 360 600**	(1 773 641)	-	-	(717 170)	-	**(2 490 811)**	52 869 789
Infrastructure	844 631 078	-	-	-	-	-	**844 631 078**	(77 742 756)	-	-	(5 540 248)	-	**(83 283 004)**	761 348 074
Community Assets	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Heritage assets	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Specialised vehicles	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Other assets	17 853 509	1 065 828	-	-	-	-	**18 919 337**	(12 799 220)	-	-	(1 360 696)	-	**(14 159 916)**	4 759 421
	919 053 287	**1 065 828**	**(1 208 100)**	**-**	**-**	**-**	**918 911 015**	**(92 315 617)**	**-**	**-**	**(7 618 114)**	**-**	**(99 933 731)**	**818 977 284**
Agricultural/Biological assets														
Agricultural	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Biological assets	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Intangible assets														
Computers - software & programming	2 178 141	-	-	-	-	-	**2 178 141**	(1 425 151)	-	-	(402 552)	-	**(1 827 703)**	350 438
Other	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
	2 178 141	**-**	**-**	**-**	**-**	**-**	**2 178 141**	**(1 425 151)**	**-**	**-**	**(402 552)**	**-**	**(1 827 703)**	**350 438**
Investment properties														
Investment property	6 891 610	-	-	-	-	-	**6 891 610**	(671 015)	-	-	(134 081)	-	**(805 096)**	6 086 514
	6 891 610	**-**	**-**	**-**	**-**	**-**	**6 891 610**	**(671 015)**	**-**	**-**	**(134 081)**	**-**	**(805 096)**	**6 086 514**
Total														
Land and buildings	56 568 700	-	(1 208 100)	-	-	-	**55 360 600**	(1 773 641)	-	-	(717 170)	-	**(2 490 811)**	52 869 789
Infrastructure	844 631 078	-	-	-	-	-	**844 631 078**	(77 742 756)	-	-	(5 540 248)	-	**(83 283 004)**	761 348 074
Community Assets	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Heritage assets	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Specialised vehicles	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Other assets	17 853 509	1 065 828	-	-	-	-	**18 919 337**	(12 799 220)	-	-	(1 360 696)	-	**(14 159 916)**	4 759 421
Agricultural/Biological assets	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Intangible assets	2 178 141	-	-	-	-	-	**2 178 141**	(1 425 151)	-	-	(402 552)	-	**(1 827 703)**	350 438
Investment properties	6 891 610	-	-	-	-	-	**6 891 610**	(671 015)	-	-	(134 081)	-	**(805 096)**	6 086 514
	928 123 038	**1 065 828**	**(1 208 100)**	**-**	**-**	**-**	**927 980 766**	**(94 411 783)**	**-**	**-**	**(8 154 747)**	**-**	**(102 566 530)**	**825 414 236**

Tsantsabane Municipality
Tsantsabane Municipality
Appendix B
July 2013

Analysis of property, plant and equipment as at 30 June 2013

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
Land and buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Tsantsabane Municipality
Tsantsabane Municipality
Appendix B

Analysis of property, plant and equipment as at 30 June 2013

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
Heritage assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Tsantsabane Municipality
Tsantsabane Municipality
Appendix B

Analysis of property, plant and equipment as at 30 June 2013

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
Total property plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agricultural/Biological assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-